ERIC CANTOR

Dear Republican Colleague:

Congratulations on your election and for being a major part of a new Republican resurgence. For the past two years, Democrats have refused to listen. Now that we have been given a trust – we will not make that mistake.

I have long believed that success for the Republican Party is tied to success for America. Thomas Jefferson once remarked that "governments are republican only in proportion as they embody the will of the people, and execute it."

To that end, we must govern differently. Not just differently than the Democrats, but differently from our previous majority. And job number one is to focus on more jobs for more Americans and to shift the economy from stall to forward. It's time to produce results. Americans are asking for the opportunity to assume responsibility and get back to earning success. I also believe we need to change the culture of Washington. I believe that we must change the culture of spending that has prevailed for far too long. And I believe we need to change our expectations of the Congress, the Leadership, the committees, and of each of us.

I have announced my intention to stand for election as Majority Leader because
I am results oriented and I want to help lead that effort and bring about these
changes. I write not only to ask for your support, but also to outline some thoughts
as to how we can seize the opportunity and make these changes.

Let us be under no illusion – many of those who cast their vote for Republicans yesterday have their share of doubts about whether we are up to the task of governing; about whether congressional Republicans have learned our lesson.

I harbor no such doubts.

For the past two years, House Republicans dedicated ourselves to developing alternative solutions grounded in the time-tested principles of fiscal responsibility and small-government. On the stimulus, instead of pouring hundreds of billions of dollars into non-stimulative government programs, we proposed to give private-sector job creators an incentive to hire by exempting small businesses from 20 percent of their tax liability.

On health care, instead of the government takeover known as ObamaCare, we provided solutions such as medical liability reform and allowing the purchase of health care coverage across state lines which would lower costs while enabling families and patients to keep the care they have if they choose.

To create real jobs, we offered a "no cost jobs plan" that would cut unemployment by, among other things, halting the deluge of President Obama's tax increases and approving negotiated free-trade agreements.

And on the budget, we challenged President Obama to freeze spending at 2008 levels, offered hundreds of billions of dollars in spending cuts, and enacted an earmark moratorium within the House Republican Conference.

Our efforts culminated with the release of the "Pledge to America," in September.

Faced with an administration and a Pelosi-led Congress intent on reorienting the role of government in America, time and again we stood up against them. Now it is our responsibility to lead with the same conviction, vigor, and fight.

Joined by our new Members, I know that we are ready for that challenge.

Having crisscrossed the country over the past year, I have consistently heard Republican candidates speak passionately about jobs and getting people back to work.

They have inspired by articulating the case for constitutionally limited government that empowers individuals, families, local communities, entrepreneurs, and small business people. Our candidates have stood proudly for traditional values and have fought to ensure that we do not sacrifice our national security to political correctness or to a desire to win the approval of foreign elites.

We now have the opportunity to turn our words into action and produce real results. Like you, I am anxious to get started.

Most of us ran for Congress because we wanted to tackle the big problems facing our nation. We came to Washington to eliminate the deficit, to tear down barriers to job creation, and to reform a government that has grown out of touch with the governed.

I don't think any of us ran for Congress with the idea that we could finally provide a subsidy to this industry or that, or to this community or that. Or that we would vote to continue the same federal programs and agencies that are failing our citizens and bankrupting our children and grandchildren. And I know none of us ran with the idea that we should go to Washington to congratulate a collegiate basketball team for having a good season – or feel obligated that we needed to do so – even if we happened to be a fan.

Yet that is what we have been doing under the recent Democrat majority and even all too often under the previous Republican majority. Our problems have grown too immense to waste any more time. America stands at a crossroads, and the decisions we make at this very moment will determine the type of country that our children will live in.

That is why we will drain the swamp rather than learning to swim with the alligators. How?

We start by rethinking how time is spent and about the types of legislation that will be considered on the House floor. We start by identifying our top policy goals and committing to take concrete steps every single week to advance those goals. And we hold each other accountable with this simple question: are the actions of the House, our committees, and our Conference consistent with our principles and do they advance the nation's priorities?

We will not be able to roll back the leviathan overnight or balance the budget tomorrow or defeat terrorism once and for all next week, and people realize that. They understand how big the problems facing our country are, the obstacles that stand in our way, and the old, ingrained powers of Washington that will fight us every step of the way. Yet, people expect that we will fight each and every day to address these problems and make progress in every battle. We must not fall prey to the culture of Washington that exacerbates and creates problems. To put it simply, we must do the job we said we would do. We've talked the talk, now it is time to walk the walk.

I know we are ready.

In the attached document, *Delivering on Our Commitment: A Majority to Limit Government and Create Jobs*, I outline some thoughts on how we can begin that effort. Included is a particular focus on a sustained effort on jobs, reducing government spending, putting in place a new standard for prioritizing legislation, and how we strengthen oversight.

In thinking about and preparing this plan, I found myself guided by one simple proposition which I believe will be instructive for our efforts over the next two years: "Are my efforts addressing job creation and the economy; are they reducing spending; and are they shrinking the size of the Federal Government while increasing and protecting liberty? If not, why am I doing it? Why are WE doing it?"

I would greatly appreciate any thoughts, feedback, or suggestions you may have. I know that by changing the culture and focusing on our priorities, ours will be a lasting and worthwhile legacy: that we will achieve what we said we came to accomplish, and in so doing, deliver on the type of conservative governance that has been promised.

Sincerely,

Rep. Eric Cantor



INTRODUCTION

Over the course of the last four years in the wilderness of the minority, current House Republicans have learned some valuable lessons – both from the failures of the outgoing Democrat majority and from the failures of our previous majority, lost in 2006. Even more useful, the incoming freshmen have been learning directly from the American people – combining private sector and state-level experience with soon-to-be constituents' ideas for a functioning Congress. Together, we stand at a critical crossroads in our nation's history: we must tackle some major failures of our Federal Government, while restoring certainty in the economy and fiscal sanity to the budget. We must produce results. To do so, we will need to remain focused like a laser on our priorities during the 112th Congress and the priorities of the American people. Below I outline some of my thoughts on three key areas: Our Priorities, Scheduling Our Priorities, and Enhancing Oversight.

Our Priorities

Through the America Speaking Out (ASO) initiative, our Conference heard directly from the people about their priorities and about some of their ideas for solutions to our nation's most pressing problems. The culmination of this project, "The Pledge to America," provides concrete proposals. If elected as your Majority Leader, I will act to bring each Pledge proposal before the House for a vote, including votes early in the year on keeping tax rates low, reducing spending, repealing Obamacare, and permanently prohibiting taxpayer funding of abortion. While these are but initial steps that should be taken, it is critical that we develop a framework for sustained progress, especially when it comes to economic growth and job creation, reducing spending, and shrinking the size of the Federal Government while increasing and protecting liberty.

Economic Growth & Job Creation

Job creators across this country have made clear that resolving policy uncertainty in Washington and reducing the costs of government rules, regulations, statutes, and barriers to trade are some of the most effective things that a Republican controlled House can do to lay the groundwork for economic recovery and job

creation.

When you consider that President
Obama is now actively working to
enact his agenda through agency
regulations, it is clear that we must
embark on a sustained effort using
oversight and the congressional

Fast Fact

The annual cost of federal regulations in the United States increased to more than \$1.75 trillion in 2008. These regulations cost small businesses with fewer than 20 employees as much as \$10,585 per employee. Since taking office, the Obama Administration has had under consideration 230 economically significant regulations from 16 different federal agencies.

power of the purse to provide a check on the Administration's anti-employer agenda.

It is my desire – working through each of our committees – to conduct an immediate and comprehensive review of existing and proposed government rules, regulations, and statutes that impose additional, unnecessary costs on employers and job creators. Interim and final reports would be issued by each committee over the course of the first half of 2011. This effort would produce numerous benefits, including:

- Providing a basis for ongoing and sustained legislative action on jobs;
- The production of a comprehensive report detailing the war on job creation that is currently being waged through government policy and regulation;
- Providing all Members with information about how government policies are hurting specific sectors of the economy creating a basis for Members to organize coalitions of job creators in their district; and
- Ensuring that we remain focused on the economy and jobs.

Reducing Spending & Shrinking the Size of the Federal Government While Increasing and Protecting Liberty

We have an historic opportunity, with the backing of the American people, to affect real change in government spending. Because we lost our way, Republicans ceded our traditional advantage in the area of fiscal responsibility and our core Republican principle of limited government. Perhaps the single greatest criticism of our previous majority is that "we spent too much" and that we "grew the size of government."

We're not the same Republican Party.

Republican governors across our country are already succeeding in harnessing Americans' positive energy to reduce government's footprint; from New Jersey to Minnesota to Mississippi, to my home state of Virginia. And even beyond our borders, European nations previously entrenched in the downward spiral of welfare statehood have reemerged to make bold strides towards reining in spending and outright cutting governmental largesse.

Now is the time to act.

And while we won't regain the trust of the American people overnight, there a number of sustained efforts we can undertake immediately to ensure that we are worthy of their trust.

Rescissions Bills:

In 1995, the new Republican majority brought forward a rescission bill to rollback excessive spending. Rather than one bill, however, it is my goal to bring forward a series of rescissions bills as your Majority Leader. Each of which would be open for amendment to reduce spending even further. In 1995, the House considered five floor amendments to provide additional reductions in spending. Given the rapid

increases in spending over the past several years and the fact that we have largely been precluded from offering amendments to spending bills, I suspect there will be great interest in offering proposals to cut excessive spending.

I believe this approach – a series of rescissions bills under an open amendment process – will provide House Republicans the opportunity not only to demonstrate our

Fast Fact

In March of 1995, the new Republican majority brought forward a rescission bill cutting \$17 billion in spending across 12 different cabinet agencies, the Congress, White House, and a variety of independent agencies.

commitment to fiscal discipline, but also to highlight the simple fact that government spending exploded in the last Congress.

YouCut:

Through the YouCut program over the past six months, we have brought to the floor over \$150 billion in spending reductions. In the process, we have built a powerful online community which has cast over two million votes, and has a direct relationship with the policies and actions of the House GOP. Such citizen engagement in the federal budget process is unprecedented, but not completely surprising in light of the fiscal situation we face.

These are individuals who now have ownership and specific interest in our efforts to cut excessive spending. As Majority Leader, it is my intention to work with our committees and schedule at least one YouCut proposal each and every week. And the YouCut program will not be limited to just discretionary spending, we will also find ways to produce savings from mandatory spending. Our legislative schedule will -- each week -- be a testament to the priority we place on getting spending under control and changing the culture of spending that has dominated this city for far too long. Cutting spending will be an important part of our congressional routine.

It is also my goal to work with every member of our Conference to identify a spending cut that they can champion as part of the YouCut program. This effort will ensure that when someone asks a House Republican, "So what would you cut from the budget?" we will have a lengthy list of actions and proposals at hand.

While the YouCut program will not be limited to just discretionary spending — we will also find ways to produce savings from mandatory spending — it will provide a mechanism for Members to put forward terminations and reductions in programs without having to wait for the relevant appropriations measure to come to the floor so that an amendment can be offered. If anything is clear, it's that people want to cut spending and they want it done now — they're not interested in waiting until another day.

Fast Fact

Through the YouCut program, House Republicans have brought over \$150 billion worth of savings to the floor.



YouCut Proposal	\$\$\$ Cut
Cut New Welfare Program	\$25
that Undermined the	Billion
Reforms of 1996	
Eliminate the Federal	\$30
Employee Pay Raise	Billion
Reform Fannie Mae and	\$30
Freddie Mac	Billion
Sell Excess Federal Property	\$15
	Billion
Prohibit Hiring New IRS	\$15
Agents to Enforce	Billion
ObamaCare	
Stop Taxpayer Subsidized	\$1.2
Union Activities	Billion
Prohibit Stimulus Funding	Tens of
for Promotional Signage	Millions
Prohibit Subsidies for "First-	\$1.2
Class" Tickets on Amtrak	Billion
Terminate the Advanced	\$1.1
Earned Income Tax Credit	Billion
Require Collection of	\$1 Billion
Unpaid Taxes from Federal	
Employees	
Reduce Government	\$35
Employment to 2008 Levels	Billion
Terminate TARP Program to	\$7
Prohibit Any Additional	Billion
Bailouts	
TOTAL SPENDING CUTS	\$161.5 Billion

Major Entitlement Reform:

Getting our long-term deficit under control will require that we address major entitlement reform. It is a conversation that we must have, but one that is easier said than done. President Obama, congressional Democrats, and their liberal allies have made it abundantly clear that they will attack anyone who puts forward a plan that even tries to begin a conversation about the tough choices that are needed. It is also clear that their ideas of entitlement reform are modest changes to existing law combined with massive tax increases, possibly even a new VAT.

Unfortunately, I do not believe that President Obama will work with us to enact real entitlement reform unless it includes major tax increases. And I cannot go along with such a deal. New tax increases would not only cause further harm to our economy, but they also fix the wrong problem: Washington doesn't have a revenue problem, it has a spending problem.

So what are we to do? As a Conference, I believe that we should immediately start a conversation with the nation about the kind of entitlement changes necessary for us to keep the promises made to seniors while meeting the obligations made to young workers and our children. We must outline our proposals, encourage the minority party (and the President) to offer their own, and have a serious discussion about the impact of each alternative. Our efforts will set the stage for concrete action.

As we are making our case to the public, we can also take concrete steps to lay the groundwork for bigger reform, including reworking the budget process and addressing, in a fiscally responsible manner, near-term funding issues, such as Medicare reimbursement policies.

Equally important, we must spend the next two years earning back trust on fiscal matters. Entitlement reform is only possible if people believe we are

Fast Fact

Over two-thirds of Republican voters believe the budget can be balanced without reducing spending on Social Security or Medicare.

competent stewards of their hard earned dollars. And they will have little reason to trust us if on one hand we tell them that we have to make changes to Social Security and Medicare while the other hand is increasing discretionary spending like years past, returning to earmarking, and taking only token steps to eliminate waste.

Earmarks:

While I recognize there are a variety of views regarding earmarks in our Conference, I believe that continuing the moratorium we adopted last March is essential to achieving our larger goals. People have had it with the earmarking process and they have good reason to be fed up if one were to look back and truthfully assess the growth and perversion of the process over the last twenty years. As I wrote in a recent op-ed:

The old adage that he who can't be trusted to reform the "small" problems can't be trusted to reform the "large" ones applies as much to government as to individuals. Both Republicans and Democrats have an enormous task before us if we are going to get America's fiscal house in order.

We will have to propose and execute real reductions to existing programs. If we hope to preserve Social Security and Medicare for seniors, younger workers and our children, we must begin the conversation about common-sense ways to reform both programs.

These are big things – and there is little question that turning trillion-dollar deficits into surpluses, while starting to pay down our national debt, is an enormous mountain to climb. Yet the long climb to fiscal responsibility must begin with a few smaller, but necessary, steps.

If Republicans put forward real federal spending reductions while simultaneously returning to the old way of earmarking billions of dollars, we will rightfully forfeit the people's trust. After all, how can anyone defend reducing spending for housing programs, for example, while still earmarking for their favorite local museum?

This is an issue to be decided by the Conference – likely during the Organizational Conference the week of November 15th. If the Conference elects to maintain the moratorium, as Majority Leader I will be proud to act to apply it to the whole House – Republicans and Democrats. In short, we will not consider House legislation that includes earmarks.

Health Care:

Our new Republican majority will move to repeal ObamaCare and replace it with commonsense alternatives that lower costs while protecting those with pre-existing conditions. Of course, even if our repeal bill makes it through the Senate, we can expect that President Obama will veto it. But that doesn't mean the fight is over.

If all of ObamaCare cannot be immediately repealed, then it is my intention to begin repealing it piece by piece, blocking funding for its implementation, and blocking the issuance of the regulations necessary to implement it. In short, it is my intention to use every tool at our disposal to achieve full repeal of ObamaCare.

SCHEDULING OUR PRIORITIES

One of the primary duties of the Majority Leader is to schedule legislation for floor consideration. I believe it is critical that we rethink how we use the floor and the types of legislation that we consider so that we can better reflect our priorities and the challenges facing our country, our families, and our children.

To this end, I propose that we develop and articulate clear standards for the type of legislation that will be brought to the floor. Many of you have worked hard on proposals in this area – restoration of the 72 hour rule, constitutional authorities, and many more – and I look forward to working with you in the weeks ahead to introduce and adopt many of these ideas in the Conference and House rules.

At a minimum I believe these standards should include:

Developing and Articulating Clear Standards for Bringing Legislation to the Floor

Few things are as frustrating as getting started on a legislative project only to run into an unexpected roadblock. While this is not always avoidable, Leadership and chairmen should articulate clear standards for judge legislation. I propose that such standards include:

- Demonstration of the Federal Government's constitutional authority to act and why it is not more properly an activity for state or local government (consistent with the requirement in the Pledge to America);
- 2. If the proposal authorizes new spending, how it will explicitly be paid for;

- 3. If the proposal continues existing spending, why it is worth borrowing 37 cents out of every dollar;
- Demonstration that the proposal is consistent with our goals of protecting families, promoting life, and upholding our traditional values; and
- How the proposal advances our overall priorities: jobs and the economy, reducing spending, and shrinking the size of the Federal Government while increasing and protecting liberty.

Reforming the Legislative Schedule and the House Calendar

This may sound strange coming from a candidate for Majority Leader, but I believe too much emphasis is currently placed on the legislative floor schedule. I don't believe Americans want us to pass more legislation that simply adds new layers to the already overweight Federal bureaucracy. In fact, for one of the first times in recent polling, Americans think the Federal Government does too much.

Therefore, I think we need to refocus our time in Congress. The modern congressional calendar is built around a Democrat notion of over-legislating and over-spending. If we all believe in limited government – and I know we do – than we must reform how we use the day-to-day schedule of the House. I will be discussing the 2011 House calendar with you further, but for now, I think we can all agree that the 3-day work week and the overlapping schedule it creates, leads to knee-jerk legislating.

Instead, I believe we need to return to a committee-driven legislature that investigates problems, listens intently to the citizenry, and proposes well thought-

out solutions when necessary. Some of the best and most important work done each and every week is happening in our committees and subcommittees – yet Democrats have all too often ignored that great work. Oversight in particular, which all of us want to make a priority, is primarily a function of the committees.

I believe a number of reforms are warranted to restore the balance between floor work and committee work.

Protect Committee Time:

Just because we're in session, does not mean the House floor needs to be utilized. Repetitive floor votes and filling time with half-baked legislative proposals – as is currently done by the Democrat majority – is not a suitable answer. The legislative schedule ought to reflect the importance of hearings and oversight. Setting aside specific time each week for committees to meet without interruption from floor activities, whether each morning or specific days, would provide a protected, regular time for committees to conduct their important business.

Highlight Committee Oversight on the House Floor:

While oversight work is primarily done in the committees, there is no reason we cannot use the House floor to highlight committee work. A committee report on its oversight activities and findings can easily be brought to the floor for debate and even adoption by the full House. This can be an especially useful tool when the problems under investigation do not require a normal legislative response.

Reforming the Suspension Calendar

The suspension calendar is overused. While it is an appropriate vehicle to consider truly non-controversial legislation, the legislation still ought to be worthy of the House's time. I do not suspect that Jefferson or Madison ever envisioned Congress honoring the 2,560th anniversary of the birth of Confucius or supporting

the designation of national "Pi" day.

I also do not believe that there is a
groundswell of public enthusiasm
demanding that Congress act on
these sorts of resolutions. Instead,
I believe people want our time,
energy, and efforts focused on their
priorities. Therefore, as Majority

Fast Fact

During the 110th Congress – Democrats' first two years in the majority – 2,185 bills were considered on the House floor. Of those, 1,544 were considered under suspension of the rules. This past year, of the bills considered under suspension, more than half named a post office or building, congratulated some individual or team, or supported the designation of particular day, week, or month.

Leader, I will propose the following changes to how we consider suspensions:

- Eliminate expressions of appreciation and recognition for individuals, groups, events, and institutions. (There are other remedies that allow Members to show support without requiring the 435 votes of the House of Representatives.)
- Consider designations and namings of post offices and other federal buildings only one day each month. (Congress has a constitutional duty to establish post offices, but I do not imagine the Founders ever contemplated this duty soaking up deliberative hours every week.)

ENHANCING OVERSIGHT

We all agree that we need to prioritize oversight, but the question is, 'How?'

There are a number of suggestions that would require each committee to have an oversight subcommittee or that would create a super-bicameral panel to conduct certain oversight work. But none of these proposals fundamentally alter what I believe is the greatest impediment to oversight: the current culture.

Most weeks, the focus of the Leadership – and frankly most Members – is the legislation being considered on the floor and the voting schedule. This must change. We must create a culture that prioritizes oversight and does it within existing resources. Oversight that focuses on our key themes and how we solve problems – as opposed to scoring political points—will not only result in better legislation, but also resonate with the public.

In addition to building protected, regular time into each week's schedule for committee work, I believe there a number of steps that we can take to elevate and enhance oversight:

Oversight Hearing of the Week

Just as Leadership seeks to highlight a legislative message of the week for Members at the weekly Conference and for the media at stake-out, we should highlight one major oversight hearing each week that plays into our overall focus on job creation and reducing spending. At a minimum, the hearing should be highlighted on the floor schedule and incorporated into the week's priorities.

Oversight Reports

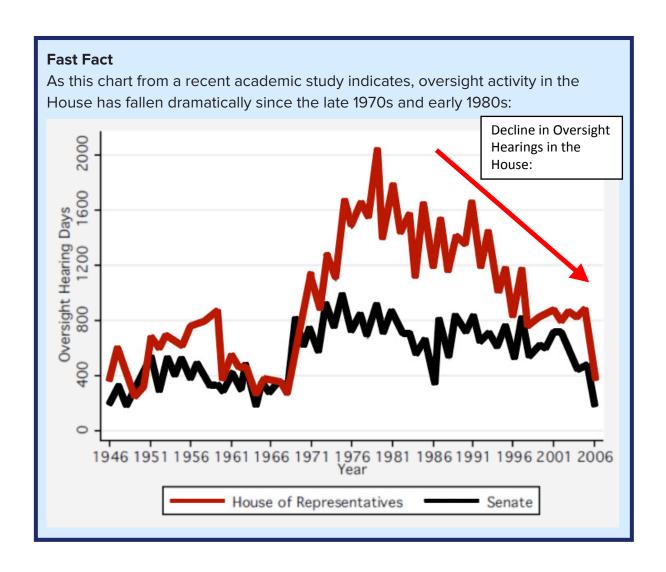
Current House rules require each committee to establish an oversight plan, but save an end-of Congress report, there is little regular standard reporting of what it is that committees are accomplishing in regard to oversight. Establishing quarterly reports of the oversight activities of each committee not only helps us build an ongoing record of achievement, but it also ensures that oversight work is prioritized. As discussed earlier, when a committee's oversight work produces findings that might not result in legislation, but is worthy of attention, we should consider bringing to the floor a resolution approving the committee's findings and report.

Individual Member Oversight Initiative

It is often forgotten that effective oversight can be done through a Member's personal office or a caucus. In the past, individual Member efforts have produced reports, floor amendments, and significant press coverage. In the late 1990s some Members even took to visiting federal agencies (with little or even no notice) to see for themselves the inner workings of those bureaucracies. This type of individual Member initiative can supplement the work of our committees. It is my intention to establish an initiative whereby we work with each office that is interested in undertaking its own oversight project.

Field Hearings & Forums

We can enhance our oversight activities by reaching beyond the beltway and hearing directly from those impacted by government policies. As we develop our oversight plan I believe we should incorporate traditional field hearings along with individual Member, delegation, and caucus forums across the country.



FINAL THOUGHTS

Let's face it – Congress has become a progressive Democrat's dream. It spends money without concern, increases dependence upon government, and when necessary to tide itself over, raises taxes. To change this liberty-threatening cycle, we Members of the House Republican Conference – must bring real reform to the House and not tolerate the mistakes and ethical lapses of our previous majority.

We have our work cut out for us, but I have no doubt that the flame for the conservative cause burns bright within this new Republican majority.

This will not be a sprint of 100 days or 100 hours. This will be a methodical march, requiring top to bottom reform, and focusing on producing results in three key areas:

- 1. Jobs and the Economy,
- 2. Reducing Spending, and
- 3. Shrinking the Size of Government While Increasing and Protecting Liberty.

I'm ready to begin this march with you, fight alongside of you, and stand arm-in-arm with you through each of the battles along the way. I humbly ask for your support to help represent your priorities and ideas for reform. And during that first week in January, I know we will all be purposeful when we say:

I do solemnly swear that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion, and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God.